



# Public Service Commission of Wisconsin

Daniel R. Ebert, Chairperson  
Robert M. Garvin, Commissioner  
Mark Meyer, Commissioner

610 North Whitney Way  
P.O. Box 7854  
Madison, WI 53707-7854

December 1, 2005

TO: Telecommunication Providers in Wisconsin

RE: Assessments for Wisconsin's Universal Service Fund: TEACH,  
UW-System, and DPI BadgerLink, and State Aid to Public Libraries

The universal service fund (USF) assessments forwarded with this letter are for obligations of telecommunication providers in this state to fund programs specifically established by the Wisconsin legislature. As specified in Wis. Stat. § 196.218(5)(a), the USF may be used to fund the Educational Telecommunications Access Program of the Technology for Educational Achievement in Wisconsin (TEACH) initiative, to fund telecommunications services provided to four campuses of the University of Wisconsin System (UW-System), and to fund the Department of Public Instruction (DPI) BadgerLink, and state aid to public libraries program.

At its November 23, 2005, open meeting, the Public Service Commission (PSC) revised the monthly assessment rates for the TEACH, UW-System, and DPI's BadgerLink, and state aid to public libraries programs.<sup>1</sup> The monthly USF assessment rates for these three programs are based on the legislative appropriations for those programs and reflect updated gross intrastate operating revenues as reported to the PSC by telecommunications providers. The billing enclosed with this letter reflects the new assessment rates for these programs. The monthly assessment rates, applied to annual revenues, are as follows:

.07837 percent for TEACH programs  
.00483 percent for UW-System services  
.03589 percent for the DPI BadgerLink and library aids program

The following statutory provision is in effect for all providers:

**196.218(3)(e)** Except as provided in par. (f) and s. 196.196(2)(d), a telecommunications provider or other person may not establish a surcharge on customers' bills to collect from customers contributions required under this subsection.

The exception noted for par. (f) relates to surcharges and itemization of certain amounts as discussed below.

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<sup>1</sup> Also at the November 23, 2005, meeting, the Commission determined a new assessment rate for the PSC USF programs. The assessment for TEACH, UW-System, and DPI BadgerLink, and library aid programs will continue to be billed separately from the PSC USF program assessment and you will receive a separate letter about that assessment.

The assessments for the TEACH, UW-System, and DPI BadgerLink and library aid programs are subject to special rate-recovery treatment for telecommunications utilities that provide local exchange service. All telecommunications providers that are assessed for the Wisconsin USF received a September 21, 2005, letter from me that described the statutory change that was passed in the recent state budget bill. The change **requires** local exchange service providers, who have adjusted rates (or in the future adjust rates) to recover certain state USF assessments, to specifically identify that adjustment on customers' bills. The applicable statutes are as follows:

**196.218(3)(f)** Notwithstanding ss. 196.196(1) and (5)(d)2., 196.20(2m), (5) and (6), 196.213 and 196.215, a telecommunications utility that provides local exchange service may make adjustments to local exchange service rates for the purpose of recovering the portion of its contributions to the universal service fund that is determined by the commission under par. (a) 4.<sup>2</sup> A telecommunications utility that adjusts local exchange service rates for the purpose of recovering all or any amount of that portion **shall identify** on customer bills a single amount that is the total amount of the adjustment. The public service commission shall provide telecommunications utilities the information necessary to identify such amounts on customer bills. (Emphasis and footnote added.)

The PSC website provides background and detailed information on the assessed dollars that are recoverable by the statutory changes at: <http://psc.wi.gov/utilityinfo/tele/usf/usfAssessments.htm>. Payments for the TEACH, UW-System, and DPI BadgerLink, and library aids assessments are to a discrete bank account. Please make out checks and forward them as instructed on the billing. Thank you for your prompt remittance of billed assessment amounts, and for your cooperation in making universal service programs a success in Wisconsin. Questions on invoices or payments may be directed to Wipfli LLP, at numbers shown on the bill. Other questions on the TEACH, UW-System, and DPI BadgerLink, and library aids assessments may be directed to me at: (608) 266-3843 or by e-mail at: [anita.sprenger@psc.state.wi.us](mailto:anita.sprenger@psc.state.wi.us).

Sincerely,

/s/ *Anita C. Sprenger*

Anita C. Sprenger  
Manager  
Universal Service Fund

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<sup>2</sup> The reference to par. (a) 4. is primarily to the TEACH, UW-System, and the DPI BadgerLink, and library aid assessments. It also refers to the Telemedicine grant program (Wis. Stat. § 196.218(4u)), and the Newline for the Blind (Wis. Stat. § 196.218(5)(a)8.), that are included under the PSC USF assessment.